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Form 11-47—10,000—27-10-48.

Development (1950) Department.

Mb. SERIES.

B

G.O. No. 2146.

Dated 29th May 1950

# FOR MYSORE STATE

[Despatch Abstract.]

G.O.Ms.No.2146/29-5-50 Fisheries - Intensive cultivation Schemes - Comprehensive Rules governing Financial Assistance from the Govt. of India and Pro-formas - Copy of Govt. of India letter - Papers recorded.

SPECIAL

Office of the Board of Revenue (Food Production) Chepauk, Madras.

Sri. V.S. Hejmadi, I.C.S.,
Commissioner of Food Production.

Board's Rt.No.529/50 F.P.III, dated 12-5-1950.

Sub: FOOD PRODUCTION - Intensive Cultivation Schemes- Comprehensive Rules governing financial assistance for food production schemes from the Grow More Food Funds and the Food Procurement Bonus-Copy of Government of India letter- Communicated.

Read: 1. Board's Rt.No.103/49 dated 27-9-1949 communicating copy of G.O.Nol Ms.875 Food and Agriculture dated 2-9-1949.
2. From the Government of India, Ministry of Agriculture New Delhi No.F.34/3-50 GMF(PL) dated 6-5-1950.

A copy of the Government of India letter read above together with its enclosures is communicated to the Collectors of all districts for information and guidance.

2. The Collectors are requested to note that the comprehensive revised rules governing financial assistance for Food Production Schemes now issued by the Government of India supersede the rules contained in their letter dated 26-8-1949 communicated to all Collectors with the Board's proceedings first read above

S. Thayappa Tevar
Assistant Secretary.

To
The Secretary to Govt., Development Department, Madras with enc.

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Copy of Letter No.F.34-3/50.GMF(PL) dated 6th May 1950 from the Under Secretary, Ministry of Agriculture, Government of India to All Commissioners/Directors of Food Production in Part A. and B States except Jammu & Kashmir, Chief Commissioners of Part C States.

Sub: Intensive Cultivation Schemes- Rules governing financial assistance.

I am directed to forward herewith a copy of comprehensive rules governing financial assistance to food production schemes from the Grow More Food funds and the food procurement bonus available with the State Governments. These rules do not alter the Grow More Food rules as they are in force at present but merely bring out the present position in a simple manner. The only exception is in the case of seed multiplication and distribution rules which are simplified and liberalised. Instead of a separate subsidy upto 20% of the total cost in respect of seed multiplication schemes and another subsidy for seed multiplication and distribution schemes costing more than 10% of the ordinary price of foodgrains, a simple rule has been framed laying down that the net loss of the State Government on schemes of improved seed multiplication and distribution will be shared by the Government of India on the accepted basis.

2. The decision regarding the utilization of the food procurement bonus was already explained at the conference of State Representatives held in November, 1949 and is in accordance with the current practice.

This set of rules includes all the previous rules as modified from time to time and will, therefore, supersede the rules communicated in this Ministry letter No.F.1-5/49 GMF dated the 26th August, 1949 and subsequent modifications communicated from time to time. The programme already received from the State Governments are being examined by the Government of India in the light of these rules.

Yours faithfully,

S.T. Raja
Under Secretary.

Copy together with enclosures forwarded for information to:-

1. The Regional Commissioner for Food Production (5 copies).

REVISED RULES GOVERNING FINANCIAL ASSISTANCE FOR FOOD PRODUCTION SCHEMES:

I. Scope

These rules will apply to all schemes which aim at increasing the production of the following:-

1. All cereals.
2. Grams and pulses
3. Tuber crops including potatoes & sweep potatoes.
4. Fish.

II. CLASSIFICATION AND DEFINITION

Food Production schemes can be broadly divided into two categories, viz Permanent or works schemes, and (2) Recurring or supply schemes. (1) Permanent or Works Schemes are again of two main types, Viz. (a) Minor Irrigation Schemes including irrigation by lift appliances, and (b) Land Improvement Schemes including land reclamation.

(a) Minor Irrigation Schemes:- These may be of the following types:-

(i) Surface percolation wells, including construction of new wells and deepening of old wells; any improvements like re-excavation, boring and installation of open or small diameter strainer tubes or similar works calculated to increase water supply. Similarly, Water lifting appliances like Rahats, Persian Wheels, and pumps are also included in Minor Irrigation works.

(ii) Irrigation tubewells - These include appurtenant plants and machinery necessary for the supply of water and also the distributory channels.

(iii) Tanks and channels:- These include all types of surface, storage and gravity irrigation works; extension and improvement of old tanks and channels as well as the construction of new tanks, dams and Bandharas.

(b) Land Improvement Works: These include all permanent works, other than irrigation works, which are designed either to bring uncultivated lands under cultivation or durably or permanently to increase the annual yield of lands already under cultivation. Land Improvement works include items such:

(i) Drainage works including measures for the control of torrents,

(ii) Contour bunding works and construction of all types of field embankments, whether for retention of moisture or for prevention of soil erosion,

(iii) Clearance and reclamation of land except by mechanical means,

(iv) The construction and repir of works required for the adoption and use of standard dry farming methods,

(v) Reclamation of 'Khar' and 'Usar' lands and similar other measures designed to improve the productive capacity of land.

The above categories are by no means exhaustive but only illustrative.

(c) Private Works and Public Works: Permanent or Works schemes may be either of a private nature or public nature:

(i) Private Works Permanent schemes of a private nature are those which are carried out on the lands of private individuals and intended to give assistance to them for construction of works of any of the fore going classes. These include works undertaken by a group of agriculturists on a co-operative basis.

(ii) Public Works: Permanent schemes of a public nature are those which are undertaken by the Government of the States for increasing food production and are also controlled by Government.

2. Recurring or Supply Schemes: are those which provide for the supply and distribution of the following commodities for increasing food production:-

Manures and Fertilizers:-

(i) Compost- both urban and rural including manufacture and distrribution. These also include construction of trench latrines, utilization of sewage and sludge and similar manuring practices

(ii) Oil cakes

(iii) Super-phosphate, bone-meal and other phosphatic fertilizers,

(iv) Manure Mixtures consisting of nitrogenous fertilixers, oil cakes, supner-phosphate, etc but only those component parts which are entitled to a subsidy, would be subsidized.

(v) Other manures, such as fish manures, green manure and the lake.

Any nitrogenous fertilizer either by itself or in mixture is not entitled to a subsidy

B. Improved Seed Schemes- Schemes for the multiplication and distribution of improved varieties of seeds of the commodities mentioned in part I above are eligible for G.M.F. subsidy. I proved seed schemes consist of seed multiplication and its distribution Seed multiplication is the multiplication of nucleus seed either at Government farms or by the registered seed growers and subsequent stages, which involve the return of the multiplied seed for distribution to the agriculturists. Seed distribution is the final handing over of the seed where no part of it is expected back for seed purposes.

3. Staff Schemes :- There is a third category of schemes involving employment of staff exclusively for G.M.F. schemes. Such staff should not form part of the regular Department of Agriculture. The General principles regarding the eligibility of such staff for G.M.F. subsidy will be as under:-

(i) If the staff is exclusively employed on one particular food production scheme, it should be shown in the pro-forma against that particular scheme,

(ii) If the staff is employed on more than one G.M.F. scheme, it should be shown separately as a separate staff scheme.

(iii) Where the staff engaged is for statistical work, it should be only such staff which is appointed specially for assessing the actual results of the food production schemes.

The strongest justification would be necessary regarding any staff employed exclusively for G.M.F schemes and for which subsidy is claimed.

(4) Purchase of Capital Equipment:- Capital equipment for G.M.F. schemes means and includes the purchase of tractors, plows, harrows, rigs, drills, casing pipes, lorries for transport of

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compost etc, which are required for increasing food production. These items are illustrative and not exhaustive.

(5) Miscellaneous or Indirect Schemes. Miscellaneous or indirect schemes are those which though not increasing food production directly may, however, contribute indirectly to the effort for increasing food production. They may be of the following types:-

(i) Extension Service schemes which aim at spreading the results of research among the cultivators by actual demonstration and farm assistance.

(ii) Prize Distribution schemes intended to encourage cultivators individually as well as collectively at village, Tahsil, Taluk, District and Provincial levels to increase production per acre,

(iii) Propaganda and publicity, such as visual education by films, pamphlets, posters, leaflets, etc which are intended to create enthusiasm among farmers for greater effort in food production.

(6) Fisheries Development Schemes:- These schemes may be of the following nature:-

(i) Distribution of fingerling and fish seed for stocking waters,

(ii) Purchase of indigenous fishing craft and tackle,

(iii) Purchase of salt for curing and drying fish,

(iv) Staff employed exclusively for fisheries development schemes,

(v) Any other scheme envisaging development and increase of fish production within the self-sufficiency period.

III. BASIS OF FINANCIAL ASSISTANCE.

Financial assistance will be in the following forms:-

(A.) Grants

(B) Loans.

(A) Grants:-

(a)Grants otherwise known as subsidies will be given by the Government

of India to the States in order to meet a portion of the next expenditure on food production schemes defined above, in the following manner:-

(i) In case of States in part A & B of the first Schedule of the Constitution, except Assam and Orissa, 50 per cent of the net expenditure on food production schemes,

(ii) In case of Assam and Orissa, Government of India's subsidy will be 66 2/3 per cent of the net expenditure.

(iii) In case of Coorg the subsidy will be 75 per cent of the next expenditure.

(iv) In case of Centrally Administered States under Chief Commissioners mentioned in Part C of Schedule I of the Constitution the entire net expenditure on the schemes will be met by the Government of India.

(b) The total expenditure both Central & State, in respect of a private scheme as defined under Part II above, should not, exceed 50 per cent of the total expenditure on the scheme. In other words, the individual cultivator who benefits under the scheme should contribute at least 50 per cent of the expenditure on the scheme. This rule would not, however, apply in case of the expenditure, on the staff generally employed on all such schemes by the State Government for which a subsidy is claimed from the Government of India and similarly in respect of appliances and insecticides used by State Governments for plant protection work, for which a subsidy is claimed from the Government of India. The expenditure on this staff insecticides and appliances will be shared between the Central and State Governments on the basis given at III A(a) above.

(c) Distribution of green manure seeds may be subsidized upto 100% by the State Governments and the Government of India will share the subsidy on the basis given above.

(d) The Subsidy for schemes of seed multiplication and distribution will be calculated on the following basis:

"Cost of seed multiplication and distribution" minus price at which improved seed is sold to agriculturists. (This selling price should in no event be less than the controlled price of ordinary grain of the same type). The net loss will be shared by the Government of India on the basis mentioned at (a) above. For calculating the loss in case of uncontrolled commodities, the price will have to be the ordinary market price.

For example, if the cost of multiplication and distribution of improved wheat seed comes to Rs.20 per maund, and if the procuremen price of ordinary wheat is Rs.12. the improved seed should not be sold at a price less than Rs.12 and the loss of Rs.8 or less per maund will be shared on the usual basis between the Government of India and the State Government. The cost of staff engaged exclusively on these schemes will naturally be included in the cost of multiplication and distribution.

(e) The following schems will not be eligible for a subsidy ~~xxxxx~~ because of their popularity or self-financing nature:-

(i) Reclamation or cultivation of lands by mechanised means whether by Government or by private ~~individuals~~ individuals.

(ii) Construction of tubewells by or for private parties, except tubewells constructed on a co-operative basis and benefiting a large number of cultivators. The latter are eligible for subsidy in the same manner as a private scheme of permanent nature.

(iii) Distribution of nitrogenous fertilizers.

(f) All public schemes of minor irrigation works including construction of tubewells will not be eligible for a subsidy if they are remunerative; i.e. if they pay back their cost in a period of 20 years.

If they are unremunerative, only the the unremunerative portion of the expenditure will vbe subsidized. For judging the remunerativeness or otherwise of scheme the following basis should be adopted.

Total cost" minus "20 times the gross additional revenue" net cost. The net cost will be shared by the Government of India in the proportion referred to at (a) above. The gross additional revenue may be in the form of either increase in assessment due to irrigation or charging of extra water rates. For example if a scheme of tank irrigation cost Rs.1 lakh and irrigates say 500 acres and if theextra revenue is Rs.2 per acre, the total additional revenue per year is Rs.1000and 20 times of this revenue is the capitalised value of this improvement. Rs.20,000 should be deducted from Rs.1 lakh and the balance of Rs.80,000 would be shared between the Government of India and the State Government on the accepted basis.

(g) Miscellaneous schemes shown in rule II(5) are eligible for financial assistance to the extent of their total not subsidy cost but only upto the value of the Food Procurement Bonus available with the State Governments. These schemes will also require the approval of the Government of India before being financed from the Food Procurement Bonus.

(B) Loans:-

(a) Loans will be given to State Governments for the following purposes:-

(i) In order to meet the remunerative portion of the expenditure on permanent schemes, or work schemes of food production,

(ii) For ~~xxxting~~ the purchase of capital equipment like machinery, tractors, implements, rigs, lorries, machinery for composting of urban refuse sludge or sewage etc. This list is illustrative and not exhaustive.

(iii) For granting loans to private parties for the purchase of capital equipment and carrying out permanent improvement works of a private nature,

(iv) Loans for financing private companies for fisheries development provided that the assets of such corporation are adequate, the management is on proper lines and the Corporations accept necessary and reasonable conditions for marketing of fish, etc, laow down by the State Governments

IV. GENERAL PRINCIPLEES AND PROCEDURE

(i) All schemes whether permanent or recurring will be formulated for one year by the Government of the State concerned and sent to the Government of India Ministry of Agriculture, in the prescribed proforma attached hereto as Appendix I, with an expanatory note giving its salient features sufficiently before the commencement of the year to which they relate. In addition to the prescribed proforma at Appendix I, the State Government should also fill up the consolidated abstract statement, a copy of which is attached as Appendix II. Both these proformas should be forwarded in triplicate.

(ii) For the purpose of affording financial assistance, all schemes whether to be financed from the C.M.P. funds or from the Food Procurement Bonus, will be treated as one financial unit. This need not conflict with III(g) above; the distinction is between schemes eligible and principle of financing.

(iii) While the Government of India do not desire to go into the technical details of a scheme, they desire to have sufficient details in order to enable them to judge the productiveness and soundness of a scheme in order to decide whether it deserves the financial assistance asked for. The general principle in judging the schemes will be of producing maximum or permanent results at minimum cost within the prescribed period of self-sufficiency.

(iv) On receipt of these schemes, they will be examined in the Ministry of Agriculture in the light of the above rules and the policy of the Government of India from time to time, and the sanctions for financial assistance issued.

(v) A decision was taken at the November Conference of State Representatives that the Food Procurement Bonus accruing to the States and earmarked for food production schemes should be utilised to meet the net total cost of the subsidy on food production schemes, This would cover both the shares of the Government of India and the State Government. The normal practice, will therefore, be first to calculate the total net subsidy cost of the food production programme of a State for a given year and then to deduct from its 75 per cent of the Food Procurement Bonus accruing to the State. The deficit, if any, will be shared by the Central and State Governments the basis referred to at III(a) above,. According to the present arrangements at least 75 per cent of the Food Procurement Bonus is to be spent on food production schemes and the remining, 25 per-cent on food procurement schemes, if any. If however, any State Government has not got sufficient schemes of food procurement to cover the remaining 25 per cent or they consider it more advisable to to spend the remaining 25 per cent also on food production schemes, then, that part earmarked for food procurement schemes can also be utilised for food production schemes.

For example if the total subsidy cost of the food production schemes of a State during 1950-51 is Rs.50 lakhs, and the food procurement bonus available with that State is Rs.20 lakhs, 75 per-cent of this food procurement bonus, i.e.Rs.15 lakhs will be deducted from the total subsidy cost. The balance of Rs.35 lakhs will be shared between the Central Government and the State Government. The Government of India's share on the basis mentioned in III(a) above will be Rs.17½ lakhs in States other than Assam and Orissa. While in case of Assam and Orissa it will be nearly Rs.24 lakhs representing 2/3rd of Rs.35 lakhs.

(vi) Monthly reports showing theprogress of the schemes sanctioned by the Government of India in terms of units of work and with progressive totals should be sent in the proforma attached hereto as appendix III, at least before the 20th of the succeeding month. Besides, the monthly report, a six-monthly report for July-December should be sent before 1st February of the succeeding year and an annual Progress Report for the twelve months from July to 30 th June showing the targets and achievements of food production should be sent before 1st August, in the prescribed proforma attached at Appendix IV.

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RR.7-8

- True copy-

Superintendent.

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Dev. Dept. (F

To: A.S.

Please see the Board's letter at p.1 above. A copy of the Boards letter together with the Govt. of India's letter has been communicated to the D.F. by the Board. These rules supersede the rules appended to G.O.No.875 Food & Agri dated 2-9-49.

The portion relating to Fisheries is at 'A' on p.5 above and at 'B' on 9 above. There is no material difference between the rules appended to G.O.No.875 Food and Agri dated 2-9-49 and those now issued except that sub-para (v) at 'A' on p.5 above is a new addition and is of a general character. The papers may be recorded for facility of future reference.

Thro: P & D.

G.O.Ms.No.2146 Dev. dated 29-5-50-

Fisheries - Intensive Cultivation Schemes- Comprehensive rules governing financial assistance for the Government of India and pro-formas - Copy of Government of India letter -Papers-Recorded.

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Superintendent.

28/5/1

APPENDIX IV

Half Year ending. ..... Province /Stat

INTENSIVE CULTIVATION SCHEMES (Feedrains).

| Sl. No. | NAME OF SCHEME. | Total cost Sanctioned. | Sanctioned expe | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | Central Govt. | | | Govt. Share. | | Provl. |
| | | | Loan | Grant | Total | Loan | Grant | Tot |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| A. I. | IRRIGATION SCHEMES. | | | | | | | |
| | (a) Sinking of new wells. | | | | | | | |
| | (b) Repairs to old wells. | | | | | | | |
| | (c) Construction of new tanks. | | | | | | | |
| | (d) Repairs to old tanks. | | | | | | | |
| | (e) Installation of Persian Wheels, Rahats & Other Water lifting appliances on wells. | | | | | | | |
| | (f) Construction and improvement of dams, Channels etc. | | | | | | | |
| | (g) Construction of irrigation tube wells. | | | | | | | |
| | (h) Pumping installations on rivers channels etc. | | | | | | | |
| | (i) Other irrigation schemes. | | | | | | | |
| | TOTAL IRRIGATION SCHEMES. (a to i) | | | | | | | |
| | II. LAND IMPROVEMENT SCHEMES. | | | | | | | |
| | (a) Drainage Works. | | | | | | | |
| | (b) Ammonimum Phosphate. | | | | | | | |
| | (c) Clearance and reclamation of waste lands. | | | | | | | |
| | (d) Other improvement works. | | | | | | | |
| | TOTAL AND IMPROVEMENT SCHMES (a to d). | | | | | | | |
| | TOTAL A - I & II ABOVE. | | | | | | | |
| | I DISTRIBUTION OF FERTILISERS. | | | | | | | |
| | (a) Ammonium Sulphate. | | | | | | | |
| | (b) Ammonium Phosphate. | | | | | | | |
| | (c) Super Phosphate. | | | | | | | |
| | (d) Other Chemical Fertilisers. | | | | | | | |
| | TOTAL FERTILISERS (a to d) | | | | | | | |
| | II DISTRIBUTION OF MANURES. | | | | | | | |
| | (a) Oilcakes. | | | | | | | |
| | (b) Bonemeal. | | | | | | | |
| | (c) Compost - (i) Urban. (ii) Rural. | | | | | | | |
| | (d) Green manures seed. | | | | | | | |
| | (e) Fish Manures. | | | | | | | |
| | (f) Manure mixture. | | | | | | | |
| | (g) Other manures. | | | | | | | |
| | Total manures (a to g) | | | | | | | |
| | III IMPROVEMENT OF SEEDS | | | | | | | |
| | (A) Paddy seeds. | | | | | | | |
| | (b) Wheat seeds. | | | | | | | |
| | (c) Other seeds by name and quantity. | | | | | | | |
| | TOTAL SEEDS (a to C) | | | | | | | |
| | TOTAL B - I to III Above. | | | | | | | |
| | C. OTHER SCHEMES. | | | | | | | |
| | GRAND TOTAL A, B & C. | | | | | | | |

1. Contribution from beneficiaries may be shown in the remarks column against each scheme.
2. This statement should contain (a) information regarding only those schemes which are sanctioned by the Government of India (b) data regarding production of cereals only.
4. A separate report in the same proforma should be submitted (a) for schemes which are finan (a) for other crops like, Fruit etc. and for increased producti
4(a) In Cols. 16,18 and 20, the t should be given.
4(b) Cols. 17, 19, 21 should ind half year or the year under
5(a) Amounts sanctioned for the in Cols. 4 to 9

| Actual expenditure | | | | | Units of work | | Results | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| . Share (Central Govt. Share. Provl. Govt | | | | | | | Addl. acreage (acres | | Addl. Production (tons) | | Remark |
| oan Grant Total Loan Grant | | | | | Planned | Achieved. | | | | | |
| 10 11 12 13 14 | | | | | | | Planned | Achieved. | Planned | Achieved. | |
| 15 | 16 | 17 | | | 18 | | 19 | 20 | 21 | | 22 |

xclusively by Govt. of Inda (b)
getables, groundnuts, sugar cane
milk, ghee, fish etc.
planned for the whole year

he achievements during the

ear for a scheme should be given

5(b) Cols. 10 to 15 should indicate actual expenditure incurred during the half year or the year under review.

(vi) Monthly reports showing theprogress of the schemes sanctioned by the Government of India in terms of units of work and with progressive totals should be sent in the proforma attached hereto as appendix III, at least before the 20th of the succeeding month. Besides, the monthly report, a six-monthly report for July-December should be sent before 1st February of the succeeding year and an annual Progress Report for the twelve months from July to 30 th June showing the targets and achievements of food production should be sent before 1st August, in the prescribed proforma attached at Appendix IV.

RR.7-8

True copy-

Superintendent.

9/9/.

N/4

Dev. Dept. (F)

To: A.S.

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Thro: P & D.

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Superintendent.

5/5/4